Like 14.3M

## **Mail** Online

Home | News | U.S. | Sport | TV&Showbiz | Australia | Femail | Health | Science | Money | Video | Travel | Fashion Finder

Wires Home



## Japan raids hacked crypto exchange, bitcoin plunges further

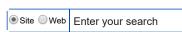
By AFP

**PUBLISHED:** 04:28 GMT, 2 February 2018 | **UPDATED:** 04:28 GMT, 2 February 2018



Coincheck president Koichiro Wada bows in apology at a news conference last weekend after hackers stole hundreds of millions of dollars in digital assets from the Tokyo-based firm

Japanese authorities on Friday raided virtual currency exchange Coincheck, a week after the Tokyo-based firm lost \$530 million in cryptocurrency to hackers.



## Advertisement



Follow Daily Mail

Daily Mail

**Like** Daily Mail Follow @MailOnline

Follow @DailyMail

Follow Daily Mail The raid comes as bitcoin dipped below \$9,000 for the first time since November after India said Thursday it would take measures to prevent the use of cryptocurrencies.

The search of Coincheck's headquarters in Tokyo's Shibuya district was carried out by the Financial Services Agency, which had already slapped the company with an administrative order following the hack.

"We have launched an on-site inspection to ensure preservation of clients' assets," Finance Minister Taro Aso said at a briefing.

Japanese officials have suggested Coincheck lacked proper security measures, making itself vulnerable to theft.

The January 26 hack, which saw thieves syphon away 523 million units of the cryptocurrency NEM, exceeds the \$480 million stolen in 2014 from another Japanese virtual currency exchange, MtGox.

Earlier this week, Japan's FSA gave Coincheck until February 13 to investigate the cause of the incident, "properly" deal with clients, strengthen risk management and take preventive measures.

Coincheck has said it will use its own funds to reimburse all 260,000 customers who lost holdings, at a rate of 88.549 yen per NEM.

The refund, which will be paid in yen, not virtual currency, will set the firm back about 46.3 billion yen (\$422 million).

In the wake of the MtGox scandal, Japan passed a law on cryptocurrencies that requires exchanges to be regulated by the FSA. The law went into effect in 2017.

Coincheck had submitted an application to the FSA for a licence and was allowed to continue operating while it awaited a decision, the agency said.

Japan is a leading market for cryptocurrencies, with nearly a third of global bitcoin transactions in December denominated in yen, according to specialist website jpbitcoin.com.

Virtual currencies are popular elsewhere in Asia, including South Korea and China, but India's government on Thursday said it would crack down on their use.

Finance Minister Arun Jaitley, in his annual budget, said New Delhi would "take all measures to eliminate use of these crypto-assets in financing illegitimate activities or as part of the payment system".

Bitcoin, which soared to nearly \$20,000 a unit in December, was down at \$8,800 on Friday, while other digital units such as Litecoin and Ethereum have also suffered massive losses from their recent peaks.

## DON'T MISS

It's a lovely thing to be private': Alicia Vikander shuts down Kate Garraway during VERY awkward interview about her marriage to Michael Fassbender



Biel Estate: Justin Timberlake and his wife Jessica are selling their extravagant New York penthouse complete with stunning terrace for \$7.9m



Lily Allen sparkles as she joins a 'newly engaged' Vanessa Paradis and Lara Stone at woodland- inspired Chanel Fashion show in Paris



The Kate who got the cream! Pregnant Duchess looks radiant in a £128 winter white maternity coat as she visits a school to discuss mental health



- It was awful feeling of dread': Piers Morgan reveals he faced prostate cancer scare after Bill Turnbull discusses incurable diagnosis
- Ariana Grande makes first public appearance in six months as she attends Madonna's Oscar party with boyfriend Mac Miller After skipping The BRITs
- Ferne McCann cradles daughter Sunday as she makes an appearance at friend Portia Smith's baby shower... amid claims she is 'secretly dating an older man'
- Kaia Gerber, 16, lights up the catwalk in black lacy dress and fuchsia gloves for Chanel's Paris Fashion Week show Hitting the runway



Share or comment on this article

Anytime Anywhere, MailOnline on your iPad

Try it FREE! Download it now

Sorry we are not currently accepting comments on this article.

Back to top

Home News U.S. | Sport | TV&Showbiz | Australia | Femail | Health | Science | Money | Video | Travel | Fashion Finder

Sitemap | Archive | Video Archive | Topics Index | Mobile Apps | Screensaver | RSS | Text-based site | Reader Prints | Our Papers | Top of page Daily Mail | Mail on Sunday | This is Money

Metro | Jobsite | Mail Travel | Zoopla.co.uk | Prime Location | Discount Codes | Coupons

Published by Associated Newspapers Ltd Part of the Daily Mail, The Mail on Sunday & Metro Media Group

© Associated Newspapers Ltd Advertise with us Contributors Terms Contact us How to complain Privacy policy & cookies D